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- $\P 1$ . (SBU) Introduction: Sudan, the largest and arguably the most ethnically complex country in Africa, has nine neighbors, tied with the Democratic Republic of the Congo for the most in Africa. This is the first of a series of four cables describing the bilateral relationship between Sudan and each adjacent state in terms of history, social, and cultural ties; migration patterns; economic bonds; and political relations. The series will run as follows:
- -- Sudan and the Anglophones;
- -- Sudan and the Arab states;
- -- Sudan and the Highland states; and
- -- Sudan and the Francophones.
- 12. (U) Summary: The relationship between Sudan and its Anglophone neighbors, Uganda and Kenya, has been characterized by close historical, cultural, and economic ties to the south and separation and disputes with the north. Now that the 20-year civil war has ended, both Kenya and Uganda are important economic partners, and their support is crucial to the success of Southern Sudan, whether or not it decides to separate in 2011. Currently, the main political dispute with Kenya is the status of the Ilemi Triangle border region, although Sudan seems content to continue to ignore the issue. In Uganda, the important strategic relationships center around the Lord's Resistance Army (LRA), which both countries are working to eliminate (reftel), and the use of the Nile waters. End summary.

\_\_\_\_\_ History

- $\P2$ . (U) The history of Southern Sudan is very closely tied to both Uganda and Kenya. During the colonial era, the British even considered splitting Southern Sudan and joining it with one or both of its other colonies to form a greater Equatoria. Egypt, the minority partner in the condominium of colonization, however, sought to maintain Sudan's limited control of its southern region to ensure the continued supplying of Egyptian slave markets.
- $frac{1}{4} ext{3.}$  (U) During the recent civil war, Uganda and Kenya's close relationship with the south led to tensions with the Muslim northern governments, and both countries initially supported the southern rebels. During the 1990s, Kenya's shift to a more neutral stance allowed it to play a decisive role as the mediator in the Inter-Governmental Agency for Development (IGAD) talks that eventually led to peace. The Ugandans, however, remained at odds with the northern government until the final stages of the civil war (reftel).

\_\_\_\_\_\_ Cultural and Social Ties, Migratory Patterns

- ¶4. (U) Southern Sudan enjoys extremely close cultural and social ties with both Uganda and Kenya, and the same ethnic groups live on all sides of the borders. Before the arrival of the colonial powers, there were no distinctions among Northern Uganda, Northern Kenya, and Southern Sudan, and people moved freely between what are now the three countries.
- 15. (U) By contrast, there were and continue to be limited interactions with the people of Northern Sudan. The Sudd, the world's largest swamp, and the desert beyond, has kept the people of Uganda and Kenya, as well as the Southern Sudanese, distinct and separate from Northern Sudanese culture.
- 16. (U) Within the last three months, both Uganda and Kenya have signed tripartite agreements with Sudan and the UNHCR to repatriate refugees. Kenya has about 70,000 of the 550,000 Southern Sudanese refugees, while Uganda hosts over 200,000 Southern Sudanese, the Sudan's largest Southern refugee population. The repatriation process has already begun, although it has been slowed by continued insecurity, a cholera outbreak, and early rains.

## Economic and Trade Ties

17. (U) Trade between Sudan and Kenya is poised to accelerate rapidly over the next year. During the month of March, a number of agreements were put in place to open up trade between the two countries. Within the general framework of Common Market for Eastern and Southern Africa (COMESA), of which both countries are members, Sudan has signed a new

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trade bilateral agreement, established a preferential tariff schedule for Kenyan products, and helped negotiate the establishment of an Arabic training center in Nairobi run by the NGO Bread of Life.

- 18. (U) Most of the investment activity with Kenya is focused on the south. In January, Southern Sudan sent a delegation from the Southern Sudan Chamber of Commerce, Industry and Agriculture to Nairobi to attract investors, and in March Kenya hosted a Southern Sudan Investment and Development Conference. Trade of basic goods with the south has increased with the opening of the road between the Kenyan border town of Lokichoggio and Torit. This trade should continue to grow once the road is open all the way to Juba.
- ¶9. (SBU) The Government of Southern Sudan (GOSS) is also keen to establish a more extensive trading infrastructure that will reduce the South's dependence on the north. The biggest project in this regard is a proposal for an oil pipeline to be constructed from the southern oil fields to the Kenyan port of Lamu, north of Mombassa. Unconcerned with the mountainous terrain between these points, the Kenya Pipeline Corporation has announced it will fast-track this project, giving Kenya a steady flow of oil and allowing Southern Sudan to export oil without going through the north. It is unclear how the national (northern) government would react to this project if it materializes. There has also been talk of new roads and a rail system linking Kenya with the south. The GOSS has recently shown its appreciation of Kenya's longstanding support by donating USD 1 million for famine relief.
- 110. (U) Trade ties with Uganda remains focused on basic manufactured goods and there is currently little movement to expand this trade to higher-priced commodities. However, Uganda remains the most important supplier to the markets of Southern Sudan and the opening of the road to Uganda led to a drastic drop in prices for Juba and the rest of Central and Western Equatoria. While small in terms of overall Sudanese imports, these products are critical for the economic growth

in the South. Larger investment projects from the Ugandans have been discouraged by a tariff regime that is currently, in practice, erratic.

Political Relations

- ¶11. (U) During much of the Sudanese civil war, Nairobi served as the de facto headquarters of the rebel Sudanese People's Liberation Movement (SPLM), which initially put a strain on Sudanese-Kenyan relations. However, once then-Kenyan President Daniel Arap Moi took a leadership role in the IGAD-sponsored peace process in 1996, Kenya was seen by the Sudanese as moving to a more neutral position. While the Kenyan government continued to allow the SPLM to have offices in Nairobi, the Sudanese government demanded that Kenya maintain a strictly neutral posture to ensure its continued credibility as a mediator.
- 112. (SBU) The biggest outstanding political dispute between Sudan and Kenya is the border demarcation in an area known as the Ilemi triangle, a legacy of the colonial era. Kenya has exercised effective control of the Ilemi area, in Sudan's extreme southeast corner, throughout its history. However, at the behest of their Egyptian partners in Sudan, the British signed a treaty between their two colonies in 1907 that ceded a portion of the area to grant Sudanese access to the important dry season watering grounds around Lake Turkana. Moi made moves to integrate the triangle into Kenya when he took power in 1978, including changing maps and establishing an outpost. Sudan never paid much attention to these moves and later, according to former State Minister for Foreign Affairs Gabriel Rorig, the Sudanese government was content to ignore these incursions for the greater good of the peace talks. Now that the peace talks have concluded, the Sudanese have yet to make any move to revisit the issue.
- 113. (SBU) The recent political relationship between the Sudan and Uganda has been dominated by their support for each other's rebel movements. Because of the close historical ties between the people of Northern Uganda and Southern Sudan, the Ugandan government provided open military support to the SPLA throughout the civil war. Sudan countered this by providing support to the LRA. Sudan's open support of the LRA ended in 2003 with an agreement, still in force, that allowed Ugandan troops to operate in Sudan when hunting LRA forces. This detente has held and Uganda has since stopped openly opposing Sudan in international organizations. (For a more detailed discussion of this relationship, see reftel).

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114. (U) The Nile also forms a major strategic link between Sudan and Uganda. As the home to the White Nile's most important source, Uganda's water management practices have a great effect on Sudan. Within the context of the Nile Basin Initiative, discussions over water management are expected to heat up in the coming months. STEINFELD